

## **TESTIMONY OF CATHARINE H. FREEMAN**

Housing Committee public hearing – March 1, 2022

Through my services at Connecticut Legal Services, I represent low-income clients in the Greater Waterbury area. In my time working on housing during the Pandemic, primarily eviction matters, I noticed a rapid increase in rental rates. On behalf of the clients I serve, some who fear reprisal, I support **HB 5205**. Waterbury does not have a Fair Rent Commission despite being a population of 114,000 and approximately 45% rental occupants, 24.3% poverty rate. The median age of Waterbury real estate is 61 years old. It has not been uncommon to hear of 30% rent increase proposals for housing that requires repairs for code compliance.

Waterbury has one of the highest eviction rates in the country, falling in the Top 25 Cities for evictions prior to the Pandemic. This Pandemic period has proven more challenging for tenants who have often resided in properties for years and even decades. The double-edge impact of the Pandemic has led to rent increases and shortage of available rental housing in Waterbury. Unsuspecting tenants have faced Lapse of Time evictions from many new owners coming into the market. Unfortunately, they can find themselves in a difficult position of having rental opportunities close on them despite having a no-fault basis for having to move. Thus, on behalf of the clients I serve, I also support **SB 200** and **HB 5233**.

As reported by my colleague:

### **H.B. 5205 – Fair rent commissions**

### **SUPPORT**

Numerous articles have reported extraordinary rent increases throughout the housing market as the pandemic has declined, many from widespread buy-ups of residential properties by out-of-state investors seeking to increase profits. Under Connecticut law, towns have the power to create fair rent commissions. Approximately 25 towns have such commissions. There is no single category of such towns – some are large (e.g., New Haven), small (e.g., Westbrook), urban (e.g., Stamford), suburban (e.g., Farmington), or rural (e.g., Colchester). The enabling act for such commissions begins at C.G.S. 7-148b. The commissions, which respond to individual tenant complaints, have the power to reduce rent increases that are “so excessive as to be harsh and unconscionable.” Their decisions are often in conjunction with code enforcement orders by delaying increases until repairs are made or by requiring that large increases be phased in over time. In reality, most tenants have no practical way to challenge rent increases, no matter how large, unless they live in a town with a fair rent commission. This creates the odd and unfair result that this fundamental right of tenants varies depending on the town in which the tenant lives. This bill would require towns of at least 14,000 population to have a fair rent commission. We strongly support the bill. Any version of this bill that significantly enlarges the number of towns with fair rent commissions would be a strong step in the right direction.

## **S.B. 200 – Eviction records**

**SUPPORT** (amendment requested)

Eviction records are commonly used to screen tenant applicants. Unfortunately, that commonly results in tenants being screened out, without regard to the disposition of the case (e.g., even if the tenant won), the ground for the eviction, the facts that led to the case being filed, or even that the case refers to the same person. The Judicial website itself warns users against using the data for tenant screening, but it is routinely used for this purpose anyway. S.B. 200 reduces the amount of time after disposition that an eviction record stays on the Judicial Branch website – to 30 days if the tenant wins or if the case is dismissed or withdrawn. It appears, as it should, to reduce the time to one year if the landlord prevails, but the wording is incorrect, because, as drafted, it prevents removal in less than a year but does not actually require removal. The bill also prohibits commercial screening services from including removed cases, but it does so only if the companies have “actual knowledge” of the removal. Companies will have such knowledge only if the cases are not included in the bulk data they receive.

**We strongly support the bill but request two changes:** (1) the wording should be made clear that judgments for the landlord must be removed after one year (line 16-17) and (2) the bulk data base sold by Judicial to commercial users should not include removed records, so that “actual knowledge” will not be an issue.

## **H.B. 5233 – No-fault evictions (“just cause evictions”)**

**SUPPORT**

Since 1980, Connecticut has had a statute (C.G.S. 47a-23c) that protects households that include a senior (at least 62 years old) or a person with long-term disabilities who live in buildings or complexes with five or more apartments from being forced to move other than for cause. This bill extends those protections to all households in those buildings. It applies only to buildings and complexes that are already covered by the existing “just cause eviction” law. It does not apply to one- to four-family buildings.

Most Connecticut evictions are based on cause, usually non-payment of rent. Historically, about 90% of evictions claim non-payment. A much smaller allege other breaches of the lease or nuisance. But about 10% had been “no-fault” evictions in which the landlord makes no allegation of tenant fault. During the pandemic, the percentage of these evictions no-fault evictions significantly increased, apparently so that landlords could avoid temporary restrictions on evictions based on non-payment of rent. The legal grounds for no-fault evictions are known as “lapse of time” or “right to occupy has expired.” Landlords reportedly retain tenants unless they have some reason for not keeping them. No-fault evictions involve no disclosure of the reason and therefore no opportunity for the tenant to rebut the reason.

Apart from C.G.S. 47a-23c, Connecticut has a similar rule, without an age or disability restriction, for residents in mobile home parks who own their home but rent their lot. In addition, under federal rules and court decisions, tenants in public housing and most subsidized housing similarly cannot be evicted without a reason being given.

At least two states – New Jersey and New Hampshire – have long had eviction laws that require ‘cause’ to evict tenants generally (with exceptions for small owner-occupied buildings). H.B. 5233 expands the existing Connecticut statute to apply to all households in buildings that are already covered by Section 47a-23c (5 or more units). This extension of an existing statute is both a matter of fairness, so that the tenant has an opportunity to respond to the reason for the eviction, and a matter that promotes residential stability. It also discourages the use of no-fault evictions, which can be used to retaliate against tenants.